



ANNUAL REPORT
2017



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CEO'S REPORT

There is no doubt that 2016/17 was the most tumultuous 12-month period ever experienced for the NSW greyhound racing industry.

When I took on the role of administrator of Greyhound Racing NSW (GRNSW) in September 2016, the industry was closing down in NSW.

Understandably, participants, fans and entire communities across NSW were in a state of despair and anguish given that the sport they loved was going to cease.

Thankfully, the NSW Government heard the voices of these tens of thousands of people and in October 2016 reversed its decision to ban greyhound racing in NSW. This reversal correctly recognised that the vast majority of participants actively involved in the greyhound racing industry are responsible people, who love and care for their animals.

While the reversal was welcome, it served as an important reminder that the NSW greyhound racing industry cannot tolerate acts of animal cruelty if it is to have a future in NSW.

This was made clear by the landmark report by the Greyhound Industry Reform Panel in February 2017. Chaired by former NSW Premier Morris Iemma, the panel was established to provide guidance on potential new animal welfare and governance arrangements to continue the reform of the NSW greyhound racing industry.

The panel's report subsequently made wide-ranging recommendations that puts the protection of animal welfare at the centre of the industry and places GRNSW on a solid footing to guide the NSW greyhound racing industry to a successful and sustainable future.

I found it particularly heartening that many of the recommendations made by the reform panel drew on the substantial amount of reform work that had been undertaken by GRNSW since 2015, particularly in strengthening regulatory and animal welfare outcomes in the industry.

GRNSW's primary objective in 2016/17 was to continue the vital work in improving animal welfare outcomes for greyhounds at all stages of the lifecycle. This was achieved through continued attention being devoted to improving track safety and increasing rehoming opportunities for retired greyhounds.

At the end of 2016/17, I was pleased to release the University of Technology Sydney (UTS) report into greyhound race track design, which made 11 wide-ranging recommendations on how to improve greyhound race track design and in turn improve greyhound safety and welfare outcomes.

GRNSW is currently working on reviewing each of the recommendations and has commissioned UTS to undertake Phase 2 of the project to continue this crucial piece of work.

In the area of rehoming, GRNSW's rehoming program – Greyhounds As Pets (GAP) – continued to expand and grow its awareness in the community, leading to a record number of adoptions and inquiries about adopting a greyhound as a pet. It is anticipated that this expansion will increase over the coming years as the program's capabilities and infrastructure undergo a radical transformation that will see GAP accept more greyhounds into its program each year.

There is no question, much more needs to be done to improve animal welfare outcomes – whether that be for racing greyhounds or retired greyhounds – but I

am confident that the industry is on the right path to achieving this with the work that is currently underway.

In the area of regulatory, GRNSW has made giant strides in overhauling its capability to identify wrongdoing within the industry and taking appropriate action where necessary, ensuring anyone who does not want to comply with the highest animal welfare standards and the Greyhound Racing Rules is not able to take part in the industry.

This has been achieved in 2016/17 through the introduction of a new swabbing policy that is both multi-faceted and intelligence-led, as well as a complete restructure of GRNSW's approach to industry discipline by establishing the GRNSW Inquiry Panel which provides for a fair, transparent and robust approach to dealing with breaches of the Greyhound Racing Rules.

GRNSW has also continued to enhance its strong working relationships with external enforcement agencies such as RSPCA NSW and NSW Police which has led to increased cooperation and referrals between the various organisations.

The responsibility of regulating the NSW greyhound racing industry will soon be transferred to the independent Greyhound Welfare and Integrity Commission (one of the key recommendations from the reform panel), however, it is evident that the work of the GRNSW Regulatory unit has established a clear and best practice framework for industry monitoring and enforcing compliance.

At a time when GRNSW continues to prioritise its investment in animal welfare and regulatory reforms, it has been encouraging to see NSW greyhound racing increasing in popularity for wagerers and fans alike, which is apparent in the strong wagering growth recorded in 2016/17.

In my view, this clearly demonstrates the confidence which the community has in greyhound racing as a wagering product.

The sustained positive wagering performance is testament to the significant investment in the NSW greyhound industry made by the corporate bookmaking sector and in particular Ladbrokes for its considerable club and race sponsorship. GRNSW looks forward to strengthening its ongoing relationship with all bookmakers in the coming period for the betterment of the NSW greyhound industry.

I would like to thank the new directors of the Board of GRNSW for their assistance and guidance since their appointment in July 2017.

I would also like to thank the staff at GRNSW for their ongoing commitment and dedication to the reform agenda that continues at a rapid pace.

Finally, and most importantly, I would like to thank the participants, stakeholders and other key people involved in NSW greyhound racing for embracing the reform and tremendous change that has occurred over the past 12 months.

With the appointment of the new Board to GRNSW, the recruitment of a full-time permanent Chief Executive and the establishment of the Greyhound Welfare and Integrity Commission, it is clear that we are at the dawn of a new and exciting era for greyhound racing in NSW. Make no mistake, there is still a long way to go, but the journey has begun, momentum is building and the future is bright.

JOHN GIBBONS
GRNSW Interim CEO



SUMMARY OF FINANCIAL PERFORMANCE

The 2016/17 financial year delivered a positive result of \$5,086,615, underpinned by a \$8,937,621 increase in total income, that was driven primarily by a new revenue stream from Tax Parity Receipts and an increase in Race Field Information Use (RFIU) fees.

GRNSW received its first Tax Parity Receipts payment in 2016/17 following the release of Tax Reduction Trust funds by the NSW Government. The other racing codes in NSW have been receiving Tax Parity Receipts since 2015/16, however, greyhound racing's receipts were quarantined until the Special Commission of Inquiry into Greyhound Racing in NSW was completed.

GRNSW received \$6,706,949 in Tax Parity Receipts in 2016/17, with \$2,271,204 representing Tax Parity Receipts that were accrued during the 2015/16 financial year. GRNSW now receives Tax Parity payments on a quarterly basis, which has assisted with managing historical cash flow issues.

RFIU fee income increased by \$2,265,964, representing year-on-year growth of 12.2%. This comes as the corporate bookmaker sector continues to experience strong growth and increase its market share on the NSW greyhound racing product.

Licensing and Registration fees decreased in 2016/17 following a further extension of the licensing period for public trainers, owner-trainers, breeders and attendants to 2018 and fees being waived for all licence categories. In addition, breeding registration and greyhound naming revenue decreased due to the significant downward trend in breeding activity within NSW and nationally.

Playhouse Pet Motel revenue also decreased substantially, as the commercial pet boarding activities were wound up at the Wyee property, which is now being used solely as a rehoming facility for Greyhound As Pets (GAP).

Expenditure in 2016/17 increased by over \$5 million as a result of further investment in animal welfare, compliance activities, track safety, GAP program, regulatory services and additional prizemoney.

GRNSW continued to strengthen its investment in animal welfare initiatives in 2016/17 through the recruitment of additional compliance officers, expansion and promotion of GAP program, enhanced injury reporting and investment in on-course veterinary infrastructure.

Specifically, additional funding was dedicated to GAP to increase rehoming activity and adoption numbers in NSW. When viewing the financial statements it should be noted that the costs of the Wyee GAP facility are included in the GAP expenditure line item and contribute partly to the \$792,431 increase year-on-year.

Regulatory services remained a focus of GRNSW in 2016/17 with an additional \$1,291,436 dedicated to a range of operational areas, including investigations, compliance, intelligence and inquiries. Drug detection continued to be strengthened, with an additional \$279,699 spent on testing across the financial year.

It should be noted that the costs associated with the Compliance function - responsible for inspecting properties against the industry codes of practice and enforcing welfare standards - are now captured under the Regulatory expenditure item, when previously these were incorporated under Animal Welfare in 2015/16.

Industry Reform costs following the Special Commission of Inquiry into Greyhound Racing in NSW reduced significantly. In particular, legal fees decreased while a number of important research activities, including the optimal track design and chase motivation studies, continued as part of the industry reform process.

Combined returns to clubs and participants in 2016/17 increased to \$34,128,215, up significantly on the 2015/16 financial year by \$2,668,329, driven primarily by a 11.4% increase in prizemoney and travel subsidy distributions.

Finance, Legal and Corporate costs increased by \$1,689,195 in 2016/17 following the government's decision to ban the sport in NSW and GRNSW entering into administration. The additional legal and advisory expenditure was required at the time to ensure obligations were met as part of the proposed administration and closure processes. Following reversal of the decision to ban the sport in NSW, many of these services were ceased and are no longer required.

Operations expenditure also increased in 2016/17 as GRNSW continued its investment in track safety, recruiting additional track maintenance staff to drive surface improvements and reductions in injuries.

Racing and Club Infrastructure expenditure also increased by \$459,929, as GRNSW provided increased support to clubs for track surface preparation through standardising equipment and the provision of annual track renovations. As part of the ongoing track safety initiatives, GRNSW also carried out a number of critical track and infrastructure upgrades.

The majority of the 2016/17 surplus will be held in reserve to ensure there are adequate funds to support the transition to the Greyhound Welfare and Integrity Commission and the implementation of the new GRNSW Board's strategic plan.



SUMMARY OF FINANCIAL PERFORMANCE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
Income		
TAB Distributions	35,324,735	34,936,094
Race Field Information Use Fees	20,877,617	18,611,653
Tax Parity Receipts	6,706,949	-
Licensing and Registration Fees	586,618	747,561
Veterinary Services	333,494	328,722
Race Form	232,726	255,262
Interest	159,428	142,073
Marketing and Digital	210,026	147,189
Playhouse Pet Motel	20,540	294,152
Other income	107,792	199,767
Fines and Penalties	87,095	62,745
Greyhounds As Pets	163,534	147,715
Total income	64,810,554	55,872,933
Expenditure		
Prizemoney and Race Club Costs	34,128,215	31,459,886
Finance, Legal and Corporate	6,234,175	4,544,980
Regulatory	5,478,978	4,187,542
Racing and Club Infrastructure	2,314,656	1,854,727
Drug Detection	1,668,477	1,388,778
Operations	1,881,482	1,582,447
Media and Digital	1,280,800	1,213,055
IT Costs	900,124	897,679
Industry Reform	1,699,256	3,051,352
Animal Welfare	1,270,071	1,271,346
Playhouse Pet Motel	-	387,399
Blue Paws	3,630	192,576
Depreciation	443,715	402,894
GAP and Commercial Marketing	1,083,969	1,300,719
Board Expenses	2,796	3,558
Greyhounds As Pets	1,189,609	397,178
Loss on Sale of Fixed Assets	36,104	48,955
Other Expenses	103,102	365,521
Integrity Auditor	4,780	52,451
Total expenditure	59,723,939	54,603,043
Surplus for the year	5,086,615	1,269,890
Other comprehensive income	-	-
Total comprehensive income for the year	5,086,615	1,269,890

The accompanying notes form part of these financial statements.

WELFARE

GREYHOUNDS AS PETS AND GREENHOUNDS

In 2016/17 Greyhounds As Pets (GAP) recorded its highest ever number of adoptions over a 12 month period. In total, 498 individual greyhounds were adopted, an increase of 54% on last financial year, which saw 324 greyhounds adopted.

Following the announcement on 7 July 2016 that the NSW greyhound racing industry was to be banned, GAP received an unprecedented number of applications and inquiries that resulted in a significant increase in the number of greyhound adoptions. In the six weeks following the announcement, there were 99 adoptions through GAP.

The increased number of adoptions was helped by the expansion of GAP into Western Sydney with a facility established in Londonderry, allowing GAP to better service the Sydney metropolitan area for industry participants and adopters.

GAP also continued its involvement with the prison program at the Dillwynia Correctional Centre. This program fosters six greyhounds at a time, giving the greyhounds the opportunity to be socialised, undertake basic training and prepare for their future rehoming.

Inmates at the Dillwynia Correctional Centre who have been selected to work in the program have the opportunity to gain valuable vocational skills and complete nationally recognised qualifications in animal care and welfare.

GAP is also continuing with its proposed redevelopment of its facility in Wyee, on the NSW Central Coast, which will be designed to provide facilities that reflect best practice in animal shelter and rehoming. Once finalised, the redeveloped facility will increase the available capacity for the number of greyhounds able to pass through the program and provide improved resources to prepare greyhounds for rehoming, leading to an increased number of successful adoptions each year.

In 2016/17, the Greenhounds program provided muzzling exemptions for 507 greyhounds, an increase of 53% compared to 2016/17. The program permits greyhounds to be in public areas without a muzzle once they have passed a certified temperament test. A total of 1,400 greyhounds in NSW have been granted a muzzling exemption since the Greenhounds program was established in 2011.

REHOMING GRANTS

GRNSW continued to support independent greyhound rehoming organisations in 2016/17 through the Rehoming Contribution and Rehoming Grant schemes.

In 2016/17, GRNSW awarded two Rehoming Grants to greyhound rehoming organisations.

The grants of up to \$10,000 are awarded to independent animal welfare organisations to improve their capacity in rehoming greyhounds.

GRNSW also awarded seven Rehoming Contribution Scheme payments to veterinarians who provided services to greyhounds that have gone on to achieve Greenhounds status.

GRNSW will continue to offer these grants and payments to individuals and organisations as part of its commitment to rehoming and in recognition of the important role of independent providers in extending the network of rehoming services.

BREEDING

GRNSW remains focused on promoting responsible breeding practices and expanding rehoming opportunities.

Restrictions on the number of litters which a breeding female can have remain in place, as well as the rules on the age and frequency at which they can breed. These breeding measures are designed to encourage breeders to make informed and considered breeding decisions in order to decrease the number of greyhounds that are unsuitable for racing.

In combination with other factors, these regulations have contributed to a sharp decrease in the quantity of greyhound breeding in NSW and nationwide over the last two years.

In 2016/17 3,052 greyhounds were whelped in NSW, representing a decrease of 31% on 2015/16 and 62% on 2014/15.

GRNSW will continue to work with industry on maximising breeding outcomes, ensuring all breeding is regulated and that more greyhounds that are bred actually race and once retired are rehomed.

SAFETY REVIEW OF NSW TRACKS

During 2016/17, GRNSW on-track veterinarians undertook an audit of 12 of the 33 NSW greyhound racing tracks. Audits of the remaining 21 racing tracks were completed by 30 August 2017. Based on the results of the audits, GRNSW is developing procedures for the recovery and treatment of injured greyhounds at all tracks.

The audits identified the equipment that is needed to provide rapid attention to any greyhound injured on track. To date, the required equipment identified includes:

- Introduction of carts to more quickly and efficiently retrieve injured greyhounds from the track;
- New first aid cabinets for all tracks;
- New portable first aid kits, to be supplied to track staff; and
- New safes and cabinets to store pain relief medication at all TAB tracks, to ensure prompt and appropriate pain management of injuries.

INJURY REPORTING

Since 2016, GRNSW has published Quarterly Greyhound Racing Injury reports, which detail the injuries and fatalities that occur at race meetings in NSW. This is the first annual report to contain injury reporting covering the whole reporting period.

The Quarterly Greyhound Racing Injury report aims to improve transparency on the serious welfare issue of greyhound injury occurrence and supports evidence-based decision making to improve greyhound welfare. GRNSW closely monitors injury data to best target race track interventions to decrease the incidence of greyhound injuries and associated euthanasia.

GRNSW acknowledges that much work remains to prevent injuries associated with greyhound racing and is determined to continue its ongoing work on preventing injuries associated with racing events and trials.

WELFARE

This work includes the ongoing research by the University of Technology Sydney (UTS) into optimal track design for canine safety and welfare and the race track interventions that flow from the findings and recommendations of this research.

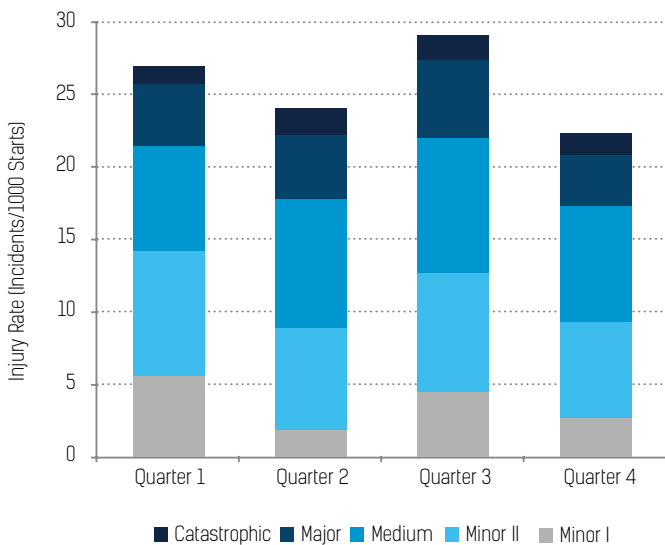
As greyhound injuries range from very mild and requiring no incapacitation period to catastrophic injuries leading to death or euthanasia, GRNSW uses a rating guide to categorise injury severity in each injury report as outlined in the table below.

Number of injury incidents, injury rates and severity

Rating	Incapacitation Period	Total Number of Injury Incidents	Injury Rate (Injury incidents/1000 starts)
Minor Class I	0 days	305	3.4
Minor Class II	1 to 10 days	663	7.4
Medium	11 to 21 days	729	8.2
Major	Greater than 21 days	376	4.2
Catastrophic	Deceased or euthanased immediately	140	1.6

The injury reports published during 2016/17 found that between 1 July 2016 and 30 June 2017 there were a total of 2,213 injury incidents in 89,114 race starts at NSW greyhound racing tracks, corresponding to an overall rate of 24.8 injury incidents per 1000 starts. The severity of these injuries is presented in the table below.

Quarterly trend in injury severity ratings



RESEARCH PROJECTS

Optimal Track Design

In April 2016, UTS was engaged by GRNSW to consider the preferred greyhound race track design for canine safety and welfare. Initially, the research was a 12-month project looking at how tracks should be designed, configured and prepared. Using an evidence-based approach, the study aims to prevent injuries during greyhound trialling and racing by establishing an optimal model for track design and surface.

The research project was undertaken by a team with expertise in the fields of forensic engineering, control, automation and robotics. Industry experts on track design and surface were also consulted throughout the project to provide greyhound racing specific expertise. Computer modelling of greyhound tracks in NSW was also conducted to demonstrate the potential effects of various interventions related to track shape and lure design.

In June 2017, UTS submitted a final report to GRNSW titled 'Identifying optimal greyhound track design for greyhound safety and welfare'. The report comprised four parts:

- Literature review of race track design;
- Review of each NSW track and injury data;
- Outline of major findings of computer simulation and modelling of greyhound racing; and
- Recommendations and future work.

The UTS report proposed a number of interim recommendations including interventions that are known to reduce injuries or are known to have a high probability of reducing injuries for GRNSW to implement.

Some of the key recommendations include:

- GRNSW and the Australian greyhound racing industry consider developing purpose-built straight tracks;
- Install an extended lure at all tracks;
- Increase the height of the starting box grilles to at least 400mm;
- Conduct a trial with a delayed starting box opening; and
- Trialling a reduction in the number of starters from eight greyhounds to six.

GRNSW is in the process of reviewing all recommendations.

It is the intent of the UTS project team to recommend a final greyhound track design that is evidence-based and informed by the data that flows from the interim recommendations contained in the UTS study. As such, GRNSW commissioned UTS to undertake Phase 2 of the project which will be delivered over a three-year period at a total cost of \$975,000. The reason for the three-year time frame is to ensure sufficient data is collected both before and after any changes to ensure that recommendations are based on robust evidence. Once completed, the research has the potential to improve greyhound welfare and safety throughout Australia.

WELFARE

Motivation to Chase

In June 2016, following a competitive evaluation process, GRNSW commissioned researchers from the University of Sydney to investigate chase motivation in racing greyhounds. The purpose of this research is to establish an evidence base to support the effectiveness of various training practices, as well as other environmental factors, management practices and genetics on motivation to chase.

In May 2017, following initial work, researchers from the University of Sydney prepared a paper based on two surveys it undertook to capture the knowledge that experienced greyhound racing industry participants have gained over their years of participation in the sport. The purpose of the surveys was to place greyhound trainers in a broader context of dog trainers across multiple disciplines, and identify common beliefs between the trainer types.

The study confirmed anecdotal evidence that more than 80% of greyhound participants obtain their skills through their own experience or through that of a friend or mentor. This information will be used to inform future education and welfare initiatives.

The next focus for research is to collect information on race day behaviour of greyhounds, both before and after racing through behavioural observation and physiological measurement and compare this to racing performance.

The study will also test the motivation of individual dogs to pull towards lures of different shapes, sizes, sounds and scents to gain an understanding of what is perceived as preferable to dogs of varying experience.

If the research identifies training methods or other factors that encourage a greater number of greyhounds to chase effectively, this could provide participants with the opportunity to reduce the number of greyhounds bred each year. This information may also inform the continuous improvement of GRNSW's educational materials and advice to assist in identifying best practice socialisation, rearing, education and training techniques.

GREYHOUND HEALTH AND PREVENTATIVE CARE

During 2016/17 GRNSW's Veterinary Services function grew to a team of five full time and five casual veterinarians.

There is a requirement for a veterinarian to be present at all NSW greyhound race meetings so that any injuries that occur may be immediately treated. Veterinarians also complete a physical examination of all greyhounds on arrival at race meetings to ensure they are fit and healthy to race.

Special attention is being given to greyhounds that return to racing after an absence of more than six months, with written verification of the greyhound's health status required from a veterinarian before they are allowed to race again.

Disease surveillance has continued during 2016/17 with GRNSW issuing advice and alerts for parvovirus and kennel cough, two of the most contagious greyhound diseases. GRNSW provides advice on treatment and prevention via The Chaser magazine, the GRNSW website and through SMS alerts to participants.

EDUCATION

Education Collaborations

In 2016/17 GRNSW conducted greyhound screening tool workshops at RSPCA shelters in collaboration with RSPCA NSW. The greyhound screening tool is a behavioural assessment for greyhound rehoming suitability, involving a simple sequence of tests that can be undertaken by trained animal care workers.

The workshops were attended by staff and volunteers of rehoming organisations and shelters, as well as registered veterinarians interested in greyhound behaviour and rehabilitation. These workshops contributed to better working relationships between the racing industry and community-based animal organisations.

GRNSW subsequently established a memoranda of understanding with several TAFE NSW institutes to ensure any future education and training programs will be accessible to all interested parties who may benefit from the support of the vocational education and training sector across NSW.

Updated Training Package

In October 2016, GRNSW initiated a business case to review and update the greyhound components of the national racing training package. The original analysis was conducted by the Greyhounds Australasia National Welfare Working Party in 2015, which identified industry competency gaps across the greyhound lifecycle and exploring the development of a national licensing framework.

The new greyhound racing components were nationally endorsed in July 2017. The changes to the racing training package will help to build a more ethical and sustainable greyhound racing industry by encouraging greyhound participants to receive formal training in health, welfare and racing integrity.





REGULATORY

DRUG DETECTION

GRNSW continued the significant reform of its Regulatory unit in 2016/17. The regulatory focus has been to provide enhanced industry supervision through education, compliance and enforcement, ensuring the highest animal welfare standards while protecting the integrity of the industry.

In 2016/17 GRNSW overhauled its approach to drug detection in greyhound racing with the introduction of a new swabbing policy and testing program. The program involves mandatory, targeted and random swabbing at race meetings together with out of competition testing. GRNSW monitors intelligence to inform its targeted and out of competition swabbing.

Under this comprehensive swabbing policy, GRNSW's swabbing activity increased by 57%, with 8,121 swabs analysed in 2016/17 compared to 5,189 in 2015/16. Of the swabs tested in 2016/17, 0.95% returned positive results for prohibited substances, down from 1.48% in 2015/16.

Drug analysis and detection

Year	% of Positives	Samples Tested
2012/13	0.62	5,562
2013/14	0.93	5,719
2014/15	0.88	5,773
2015/16	1.48	5,189
2016/17	0.95	8,121

GRNSW categorises prohibited substances into five categories, with category one being the most serious. Of the prohibited substances detected in 2016/17:

- 4% were category one, being substances that negatively impact on performance;
- 9% were category two, being permanently banned substances;
- 1% category three, being steroids;
- 39% category four, being all other substance that impact performance; and
- 47% category five, being substances registered in Australia for veterinary or human use.

GRNSW proactively provided information and alerts about prohibited substances to the industry in 2016/17. This included information on withdrawal times for particular substances, alerts on veterinary products that contain prohibited substances and warnings about the risk of contamination from human medications.

This increased communication had positive results, with GRNSW witnessing a significant reduction in the detection of prohibited substances due to industry awareness and the deterrent effect of penalties imposed.

INQUIRIES

In 2016/17 GRNSW overhauled its approach to industry discipline by establishing the GRNSW Inquiry Panel to provide a function responsible for determining breaches of the Greyhound Racing Rules and associated penalties.

Depending on the nature of the inquiry, the GRNSW Inquiry Panel comprises between one and three members and can be conducted by correspondence or formal hearing.

The action taken by the GRNSW Inquiry Panel is an essential component of safeguarding animal welfare and the integrity of the industry.

In 2016/17 the GRNSW Inquiry Panel determined more than 160 inquiries, leading to 51 disqualifications with licences being cancelled, 44 suspensions and 49 monetary penalties. Almost 70 of the determinations related to inquiries that commenced in previous years.

Examples of the GRNSW Inquiry Panel's significant decisions during 2016/17 include:

- Warning off Ian Morgan and John Cauchi for life after finding the participants had breached the luring and baiting rule;
- Handing down lengthy disqualifications to five participants as part of its inquiry into allegations of improper practices and a mass greyhound grave at the registered Keinbah Trial Track;
- Determining to disqualify Mark Azzopardi for 13 years after finding Mr Azzopardi had presented a greyhound with a serious prohibited substance in its system for the fourth time in a relatively short period, ensuring his ineligibility to apply for a licence until 2039;
- Enforcing GRNSW's new policy requiring participants to provide water to greyhounds while kennelled at race meetings; and
- Taking action in relation to animal welfare breaches including disqualifying Didier Dupuche for 15 years after Mr Dupuche was convicted of animal cruelty and related offences.

Appeals to the Racing Appeals Tribunal

In 2016/17, the Racing Appeals Tribunal heard 11 appeals, dismissing all of them and varying the penalties in seven matters.

STEWARDING

GRNSW continued to enhance its stewarding function in 2016/17. As part of this, GRNSW determined to close the central monitoring control room from the Rhodes office in October 2016.

The primary consideration to close the resource was the fact that having only one steward on track did not provide adequate resources to appropriately deal with all aspects of race day operations. As such, it is now a requirement that a minimum of two stewards are present at each TAB race meeting as well as one steward who is assisted by a club steward at Non-TAB race meetings.

Penalty Notice Process Introduced

During 2016/17 the Regulatory unit conducted a review of its penalty notice process to identify areas for improvement. As a result, GRNSW introduced a revised penalty notice process in March 2017.

REGULATORY

The introduction of the notices in a streamlined format indicates the courses of action available to participants when they are issued with an infringement notice. This includes a provision that allows participants to request a review of the infringement by the Chief Steward.

Race related offences in 2016/17

Greyhound Racing Rule	Penalty Count
R69 (Marring - 1st offence)	102
R69 (Marring - 2nd offence)	71
R69 (Marring - 3rd offence)	14
R69A (Failing to Pursue - 1st offence)	100
R69A (Failing to Pursue - 2nd offence)	41
R69A (Failing to Pursue - 3rd offence)	8
R69B (Failing to Pursue by reason of injury - first time only)	100
R71 (Unsatisfactory Performance)	101

LICENSING

During 2016/17, GRNSW extended all current licences until 30 June 2018 to allow for the implementation of a new licensing framework for the NSW greyhound racing industry.

A detailed discussion paper was finalised in May 2017 outlining the proposed framework that includes new licensing categories for whelpers, rearers and educators. The paper proposes education requirements for all licence categories. This discussion paper will be presented to the Greyhound Welfare and Integrity Commission upon its formation.

Licences issued in 2016/17

Licence Type	Approved	Refused
Public Trainer	37	13
Owner-Trainer	104	0
Attendant	88	2
Breeder	45	1

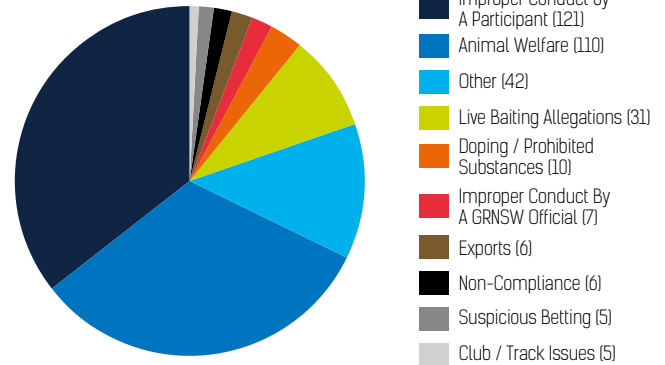
MONITORING AND INTELLIGENCE

GRNSW is committed to monitoring the NSW greyhound racing industry to ensure the highest animal welfare and integrity standards are upheld. The Intelligence function initially collates, assesses and analyses information and complaints received regarding suspected non-compliance and alleged wrongdoing.

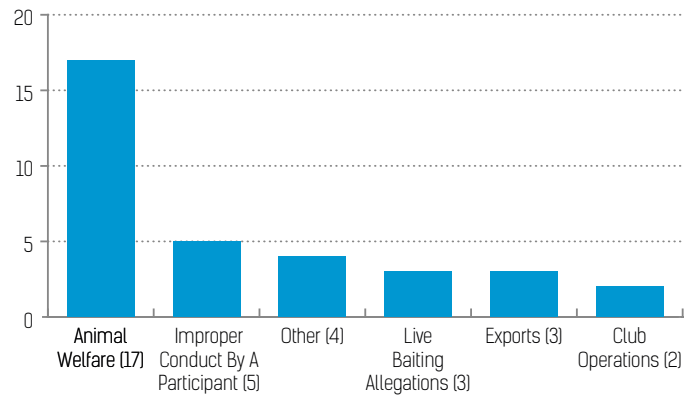
These assessments are presented to the Regulatory Leadership Team where they undergo triage or allocation to the appropriate regulatory resource for further investigation or action. The Intelligence function also assists with the development of strategic intelligence products to identify emerging issues and support GRNSW risk assessments and regulatory functions.

In 2016/17, the GRNSW Intelligence function received 300 reports regarding welfare, integrity, improper conduct and compliance matters. An additional 31 complaints were made to the independent Greyhound Welfare and Integrity Hotline.

Subject matter of intelligence reports



Subject matter of greyhound welfare and integrity hotline reports



COMPLIANCE

In 2016/17 GRNSW's compliance function inspected 1,864 properties where registered participants resided, up from 1,161 inspections in the previous year.

The increase in inspections was made possible through the recruitment of more compliance officers by GRNSW. It was also due to the vast majority of participants complying with kennel and property requirements outlined in the Code of Practice, meaning less follow up work and routine monitoring of individual participants was required by GRNSW.

GRNSW compliance activities continue to encourage the principle of self regulation through the process of issuing work directions for minor breaches of the Code of Practice where there are no immediate animal welfare concerns. During this process, compliance officers use the opportunity to engage with participants, reminding them of their obligations and creating awareness. It also allows the opportunity to gather further information on trends or intelligence regarding participants who do not comply with the Greyhound Racing Rules.

INVESTIGATIONS

GRNSW's Investigations function continues to evolve, proactively focusing on reviews of new participants entering the industry and those disqualified who are attempting to return. The function was enhanced in 2016/17 via the implementation of a new investigation case management system.

REGULATORY

In 2016/17, GRNSW conducted 156 investigations, of which 76 were related to positive swab results for prohibited substances and 22 related to animal welfare issues.

The majority of investigations that were opened during 2016/17 have been closed by the Investigations function. Out of the 40 matters that remain open at the time of writing, the majority relate to positive swabs that are waiting on an inquiry outcome.

REGULATORY LEADERSHIP TEAM

The establishment of the Regulatory Leadership Team in 2016/17 has allowed for an efficient and decisive allocation of resources. The team meets on a regular basis to assess intelligence and trends identified through its investigative, compliance and intelligence functions, allowing appropriate allocation of resources or triage where appropriate.

In 2016/17 the GRNSW Intelligence function referred 62 intelligence reports for discussion at the Regulatory Leadership Team meetings (previously the Investigations Review Committee). In these meetings, members are briefed on the intelligence reports received so they may be discussed by multiple unit managers and a collective decision can be made as to the most appropriate course of action to be taken.

These 62 reports represent 19% of the total number of reports received by the Intelligence function. This is less than previously referred in 2015/16, primarily due to the growth in resources and assessment procedures leading to an improved capability to refer matters for appropriate action without the need for prior discussion at the Regulatory Leadership Team meetings.

COOPERATION WITH ENFORCEMENT AGENCIES

GRNSW Investigations function refers alleged breaches of the Greyhound Racing Rules which may constitute offences under legislation. These referrals primarily relate to alleged welfare, race fixing and other breaches of legislation.

The common practice is to liaise with the external law enforcement agency and, at the appropriate time, commence action under the Greyhound Racing Rules. On occasions where concerns are held regarding a licensed participant's

continuation in the industry, the matter is considered by the General Manager, Regulatory as to whether suspension of that participant's licence is required. Depending on the type of allegation the matter may be referred to multiple agencies.

Examples of the interagency cooperation are;

- Didier Dupuche, disqualified for 15 years after being found to have breached Greyhound Racing Rules, having been convicted under the *Prevention of Cruelty to Animals Act* by the RSPCA relating to offences of failing to provide proper veterinary care when necessary resulting in the death of a greyhound;
- Scott Austen, issued an interim suspension after a joint investigation with the Australian Federal Police. Austen was charged with breaches of the Greyhound Racing Rules and received a term of imprisonment relating to the Australian Federal Police matters; and
- A multi-agency operation involving GRNSW, NSW Police Force (Casino & Racing Investigations Unit, Organised Crime Squad, State Crime Command) and RSPCA, resulted in the cancellation of licences relating to participants who resided in the north western suburbs of Sydney.

External referrals

External Agency	Number of Referrals
NSW Police Force	12
RSPCA	28
Australian Federal Police	1
Local Council	2

In addition, GRNSW's General Manager Regulatory meets regularly with other jurisdictions and is the GRNSW representative on the Greyhounds Australasia (GA) Integrity Committee. This committee provides advice to the GA Board on matters including rule making inadequacies, proposals and implementation, integrity policy, penalties, procedural fairness and other integrity-related matters.





OPERATIONS

NON-TAB RACING REVIEW

GRNSW suspended racing at Non-TAB tracks in July 2016 pending a review into track safety, integrity and animal welfare issues at these tracks.

A track safety inspection formed one part of the review, which also had regard to recommendations from the Special Commission of Inquiry into Greyhound Racing in NSW, focusing on addressing the gaps in integrity and animal welfare oversight in the Non-TAB sector.

GRNSW also introduced a requirement for veterinarians to be in attendance from the start of kennelling through to the completion of all Non-TAB race meetings. This included a requirement for the veterinarian to inspect all greyhounds as they are kennelled for the race meeting. As a result of the review, clubs are also now required to have veterinarians in attendance for any trialling conducted after the last race of the meeting.

In addition, GRNSW now requires one staff member from its Regulatory unit to be in attendance at every Non-TAB race meeting in order for any meeting to proceed to assist in upholding the integrity of the sport.

The review into the Non-TAB racing sector concluded in December 2016 with the last of the Non-TAB tracks cleared to resume racing.

STRAIGHT TRACK RACING

The introduction of straight track racing is seen as a key welfare initiative for GRNSW in its objective to reduce racing-related injuries and improve welfare outcomes for racing greyhounds. Developing purpose-built straight tracks was a key recommendation of the University of Technology Sydney's report into greyhound race track design.

Following the work undertaken on track safety in 2016/17, GRNSW called for expressions of interest from registered clubs to stage 26 TAB meetings on a straight track in an initial 12-month period.

Applicants will be evaluated based on a range of guidelines including racing infrastructure, as well as welfare and integrity capabilities.

Following the deadline for the lodgement of expressions of interest, GRNSW will conduct an evaluation process to determine the most appropriate applicant to undertake the allocated straight track race meetings.

TRACK MAINTENANCE

In 2016/17 GRNSW and its Track Maintenance function continued to invest considerable time and resources into track related matters which has improved the racing, welfare and safety standards at tracks throughout NSW.

The Track Maintenance function was formed in 2014/15 to drive key track safety initiatives, improve track maintenance and preparation efforts throughout NSW and to provide the existing club track curator network with support, guidance and mentoring relative to best practice. While GRNSW works very closely with all clubs, each club track curator is still responsible for the day to day maintenance and preparation of their respective track surface for race days and trials. GRNSW hired two new track maintenance staff members in 2016/17, with the Track Maintenance function now consisting of three staff in total.

Across the TAB sector, GRNSW continued to standardise its track equipment through the supply of new tractors and a new track conditioning unit to a number of clubs. Each TAB club is now equipped with a tractor which meets GRNSW's

specification while the industry developed track conditioning unit has also been distributed to all TAB clubs. GRNSW also provided each TAB club with a professional track leveller to assist with camber and track grade maintenance.

In addition, GRNSW amended the club track reporting requirements whereby all TAB clubs are now required to submit track profile images and penetrometer readings as part of the pre-race inspection process.

Further, significant education and training was carried out by the Track Maintenance function throughout the year on the importance of track monitoring and the need for track curators to make educated maintenance and preparation decisions. Further changes to the track inspection process have also been developed for implementation in 2017/18 as GRNSW continues to promote the need for clubs to monitor their track surfaces more frequently.

In April 2017 GRNSW held the second annual Multiquip Track Curators conference at Penrith. The conference allowed club track personnel, industry stakeholders and contractors to discuss a range of issues regarding track surface preparation, maintenance improvements, track injury prevention and equipment innovation. The conference allowed GRNSW and clubs to openly discuss their individual track maintenance expectations and plans for the forthcoming racing year.

As an extension of the introductory efforts in 2015/16, GRNSW increased the mandatory requirement for TAB clubs to undertake a minimum of two GRNSW managed track renovations in 2016/17. GRNSW funded one of the two required renovations in full, while the second renovation was partially funded by GRNSW and the individual club. In 2017/18 GRNSW will manage and fund both of the required TAB track renovations at each club.

All GRNSW managed track renovations involve the scientific testing and identification of compatible sands for each track, the blending and rejuvenation of the track profile through using professional machinery and the provision of recommendations for each club to follow in order to best maintain and prepare the racing surface.

GRNSW will continue to prioritise its track maintenance work in 2017/18 in its efforts to make all tracks safer and reduce racing-related injuries.

INFRASTRUCTURE PROJECTS SUMMARY

Throughout 2016/17 GRNSW funded numerous maintenance, capital and track safety projects across NSW greyhound clubs. These included:

- \$280,794 for track surface renovations and follow up works across TAB tracks;
- \$115,530 for the creation and distribution of custom-made track conditioning units for TAB tracks;
- \$96,478 to inspect and repair significant track base and drainage issues at Gosford;
- \$96,073 for the track surface upgrade and starting box realignment at Coonamble;
- \$90,000 loan to reconstruct the Lismore track in June 2017;
- \$75,450 to reconstruct the Lismore track in September 2016;
- \$68,390 to undertake track remediation works at Wentworth Park;
- \$48,860 to supply track screeds to all TAB tracks;
- \$29,600 to replace the kennel block air conditioning system at Gosford; and
- \$14,990 to enhance the trial kennel block at Casino.

OPERATIONS

NSW STATISTICS

Greyhounds

Year	Litters Registered	Greyhounds Whelped	Natural Services	FSI Services	Greyhounds Named
2012/13	1,148	7,471	246	1,180	5,689
2013/14	1,248	8,058	274	938	5,317
2014/15	1,232	7,964	211	888	5,645
2015/16	730	4,432	74	614	5,104
2016/17	453	3,052	54	482	5,087

Participants

Year	Public Trainers	Owner-Trainers	Attendants	Breeders
2012/13	1,432	1,755	942	N/A
2013/14	1,419	1,744	1,004	N/A
2014/15	1,470	1,846	1,098	N/A
2015/16	1,342	1,695	983	1,247
2016/17	1,347	1,757	1,042	1,274

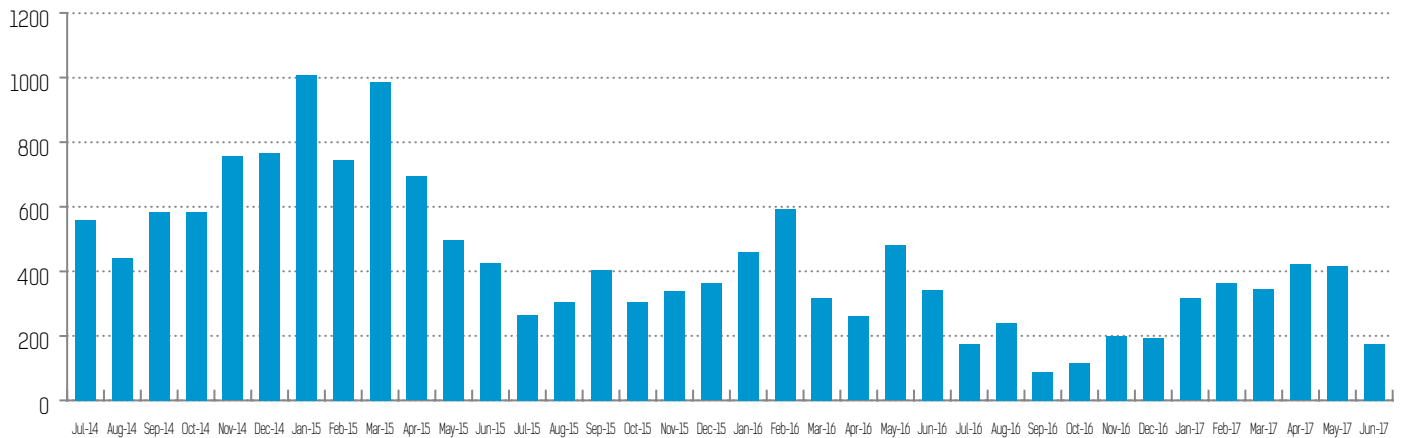
Abandoned meetings

Reason for Abandonment	TAB	Non-TAB
Industry Suspension	12	0
Non-TAB Racing Review	0	13
Wet Weather	9	6
Heat	4	2
Track or Racing Infrastructure Issue	6	5
Other	2	1
Total	33	27

* Out of the 33 TAB meetings that were abandoned, GRNSW distributed prizemoney in full for 45% of these meetings to ensure the funds allocated were returned to industry.

Please note that the figures above do not include race meetings that were re-scheduled to a later date or meetings that were abandoned after the commencement of the meeting.

Greyhounds whelped per month in NSW



Lifecycle tracking

Year	Greyhounds Whelped in NSW	Named	% Named	Raced	% Raced	Now Deceased	% Deceased	Now Retired	% Retired
2012/13	7,471	5,396	72%	4,694	63%	2,964	40%	1,826	24%
2013/14	8,058	5,710	71%	4,908	61%	2,375	29%	1,372	17%
2014/15	7,964	5,575	70%	4,658	58%	1,302	16%	894	11%
2015/16	4,432	1,777	40%	792	18%	338	8%	127	3%
2016/17	3,052	3	0%	-	-	112	4%	4	0%
Total	30,977	18,461		15,052		7,091		4,223	

* The data in the above table is based on NSW statistics only and is current as of 11 September 2017. Please note that naming, racing and greyhound status data is collated for greyhounds whelped in each respective financial year. Therefore, although a greyhound is whelped in a particular financial year, it will be named, race and retire in a financial year different to that in which it was whelped.

* The veracity of the above retirement data is reliant on GRNSW and other controlling bodies being accurately advised of greyhound status changes via the lodgement of a Notification of Retirement form.

FUNDING ACTIVITY SUMMARY

Club / Entity	SRWMF Funding*	Administration Funding	Other Funding	Total Funding
Armidale	3,678	72,667	0	76,345
Bathurst (GBOTA)	25,000	331,108	65,424	421,532
Broken Hill	10,000	124,573	0	134,573
Bulli (GBOTA)	25,000	326,581	14,990	366,571
Casino	13,403	410,415	14,990	438,808
Coonabarabran	4,406	72,667	0	77,073
Coonamble	10,000	88,239	96,073	194,312
Cowra	6,364	98,620	0	104,984
Dapto	24,932	330,960	14,990	370,882
Dubbo	25,000	248,706	49,849	323,555
Gosford (GBOTA)	25,000	304,895	44,590	374,485
Goulburn	25,000	275,289		300,289
Grafton	25,000	316,256	22,755	364,011
Gunnedah (GBOTA)	9,451	129,764	0	139,215
Kempsey	10,000	134,954	0	144,954
Lismore (GBOTA)	20,756	227,302	141,510	389,568
Lithgow	10,000	145,336	10,000	165,336
Maitland (GBOTA)	25,000	315,516	0	340,516
Moree	9,768	88,239	0	98,007
Mudgee	5,000	72,667	0	77,667
Muswellbrook	3,184	145,336	0	148,520
Nowra	25,000	315,960	10,800	351,760
Richmond	3,400	559,768	14,990	578,158
Potts Park	35,000	114,192	0	149,192
Tamworth	6,388	103,811	0	110,199
Taree	6,911	134,954	0	141,865
Temora (GBOTA)	8,164	145,336	0	153,500
The Gardens	35,000	596,443	14,990	646,433
Tweed Heads	0	134,954	0	134,954
Wagga Wagga	15,017	199,124	0	214,141
Wauchope	3,292	124,573	0	127,865
Wentworth Park (GBOTA)	0	2,727,929	83,380	2,811,309
Young	9,521	98,621	0	108,142
Industry Wide			677,035	677,035
GBOTA Loan – Lismore Reconstruction			90,000	90,000
TOTALS	463,635	9,515,755	1,366,365	11,345,755

Note: The above figures include provisions for funding made in 2016/17 and further provisions not expensed in the Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June 2017

*Safety, Racing and Welfare Maintenance Fund

FIVE YEAR COMPARISON

	2017	2016	2015	2014	2013
RACING ACTIVITY					
Number of Race Meetings Conducted					
Metropolitan	100	105	103	104	105
TAB	745	758	810	820	764
Non-TAB	251	345	340	358	429
Number of Races Conducted					
Metropolitan	997	1,105	1,029	1,044	1,052
TAB	8,095	7,806	8,090	8,697	7,671
Non-TAB	2,504	3,408	3,303	3,409	4,502
Number of Starters					
Metropolitan	7,688	8,392	7,809	7,881	8,095
TAB	62,533	59,670	61,669	62,721	59,620
Non-TAB	18,893	25,482	24,744	25,130	33,944
PARTICIPANT RETURNS					
Total Prizemoney and Travel Subsidies Paid					
Metropolitan	7,983,090	8,048,869	7,780,660	7,793,320	7,315,685
TAB	16,715,307	13,659,804	13,544,039	13,702,593	12,775,616
Non-TAB	1,485,950	1,795,420	1,705,883	1,741,091	2,512,992
Integrity					
Number of samples tested	8,121	5,189	5,773	5,719	5,562
Percentage of positives	0.95%	1.48%	0.88%	0.93%	0.62%
Wagering					
Total NSW TAB turnover on NSW greyhound meetings	315,891,124	327,225,510	338,181,403	341,868,069	320,126,692
Total interstate totalisator turnover on NSW greyhounds	430,560,774	451,575,894	463,894,019	481,222,938	469,164,813
Total corporate wagering turnover on NSW greyhounds meetings*	567,731,917	476,134,950	383,994,820	315,139,186	245,463,808
NSW greyhound product market share of NSW racing product with NSW TAB	20.8%	20.9%	21.7%	20.8%	19.6%

* Previous Annual Reports did not include Betfair turnover - this is now included

MEDIA, COMMUNICATIONS AND WAGERING

GREYHOUNDS AS PETS MARKETING

The GRNSW Marketing function continued to execute its multi-channel marketing strategy aimed at promoting the merits of greyhounds as a pet to the wider community and providing the opportunity for the public to meet and interact with a greyhound.

2016/17 was highlighted by the most successful greyhound adoption day in NSW history with 30 greyhounds adopted at Wentworth Park on 16 July 2016. The event occurred eight days after the announcement of the closure of the industry in NSW and was accompanied by a significant media presence and interest from the general public.

Greyhounds As Pets (GAP) was also showcased to hundreds of thousands of prospective adopters at the 2017 Sydney Royal Easter Show. The adoption program had a stand at the two week long event which generated hundreds of inquiries and provided the opportunity to dispel myths about the breed and raise awareness and interest in greyhounds as a suitable pet.

In addition, GAP entered into a partnership with the Canterbury Bulldogs rugby league club as part of the push to broaden the reach of the program. The partnership with the Canterbury Bulldogs delivered numerous benefits to GAP, including signage and logo placement at home games, access to digital assets owned by the Canterbury Bulldogs to promote the greyhound breed and adoption, and the opportunity to have greyhound ambassadors at home games to provide additional touch points for the public to meet a greyhound.

Digital and social media channels continue to be the most effective drivers of adoptions in 2016/17 with the organisation seeking to further leverage these mediums in the coming year.

As part of a new content strategy enacted in 2016/17, GAP has made a concerted effort to increase the amount of unique content it produces, primarily developing articles on how to care for pet greyhounds and some of the characteristics of what makes greyhounds great pets, as well as profiles on people who have successfully adopted from the program.

This has ensured information is constantly being refreshed on the GAP website and also provides fresh content for distribution through social media channels.

STAKEHOLDER ENGAGEMENT PLAN

GRNSW is strongly committed to engaging with all people who have an interest in NSW greyhound racing through open communication that involves listening to stakeholders, keeping them informed and being open about how their contributions are being considered.

GRNSW is now required to develop an annual stakeholder engagement plan that details the stakeholders to be engaged by GRNSW as well as the timing and nature of the engagement.

The purpose of the stakeholder engagement plan is to provide a transparent overview of GRNSW's proposed approach to stakeholder engagement for the 2017/18 period, with the first plan now developed and submitted to the NSW Racing Minister.

Following the completion of the plan's term, GRNSW will report against the plan and the outcomes of the engagements and publish these findings in its Annual Report for the corresponding period.

DIGITAL

Australia's leading greyhound racing website - thedogs.com.au - has continued to grow its audience in 2016/17 with a record number of subscribers and audience engagement. The website now has more than 45,000 members that gain access to premium content, and generated more than 4.3 million visits in 2016/17.

In the coming year, the Media, Communications and Wagering unit plan to further its investment in digital content with a revamp of thedogs.com.au website and associated mobile application. This site and application relaunch will complement the existing industry-leading offering from thedogs.com.au of greyhound news, form, tips, video replays, statistics and more.

Further to thedogs.com.au, the Media, Communications and Wagering unit will continue to develop its social media presence via regular, creative and informative engagement on its Facebook and Twitter channels, while also continually building and developing the GRNSW's corporate website - www.grnsw.com.au - which is aimed at making information more accessible for participants, stakeholders and the wider community.

WAGERING PERFORMANCE

Wagering on NSW greyhound racing reached record levels in 2016/17, with total turnover rising 4.7% to \$1.314 billion for the period, while wagering revenue grew 2.5% to \$188 million. This growth outstripped the increase in SKY broadcast races held during the period, which rose 2.2% on the previous year.

Corporate bookmakers (including exchange operator Betfair) continued to drive the positive wagering performance, with this sector generating turnover of \$568 million for the year, a rise of 19.2% compared to 2015/16. Wagering revenue for corporate bookmakers was also up 23.5% to \$66 million for the financial year.

The long-term trend away from traditional totalisator betting operators remained in 2016/17 with turnover in that sector dropping 4.2% year-on-year to a total of \$746 million. In addition, revenue generated by totalisator betting operators fell 6.1%, highlighting the decreasing popularity of the higher yielding pari-mutuel product in favour of fixed odds betting.

These results led to the market share of turnover on NSW greyhound racing continuing to transfer to the corporate bookmaker sector. Totalisator betting operators made up just 56.8% of turnover on GRNSW racing for the 2016/17 period, down from 62.0% in 2015/16 and 67.6% in 2014/15.

MEDIA COMMUNICATIONS & WAGERING

WAGERING INCOME

TAB distributions to GRNSW totalled \$35.3 million for 2016/17, a 11% increase on the prior year. This amount excludes new Tax Parity Receipts received by GRNSW as a result of the NSW Government's introduction of the *Betting Tax Legislation Amendment Act 2015* which gradually reduces the tax rates attributable to totalisator licensees and requires Tabcorp to return the tax reductions to the NSW racing industry in full.

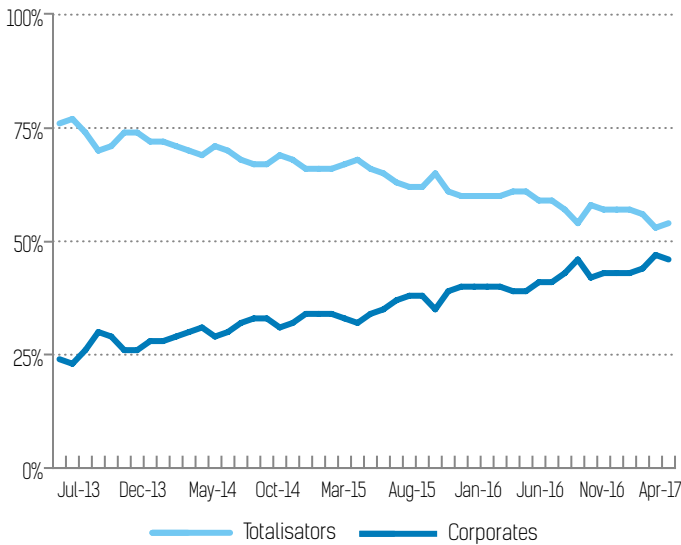
Income from this tax harmonisation in 2016/17 totalled \$6.7 million, however, \$2.3 million of this amount is attributable to the 2015/16 year but was quarantined from GRNSW until the finalisation of the Special Commission of Inquiry into Greyhound Racing in NSW.

In addition, Race Field Information Use fees for 2016/17 totalled \$20.9 million, a rise of 12.2% on 2015/16.

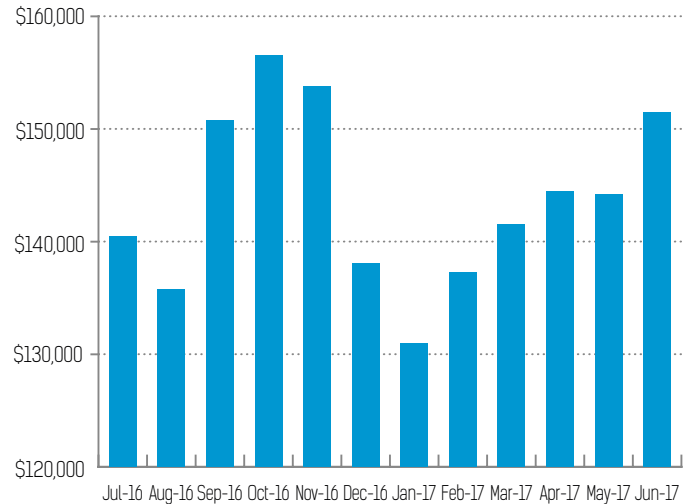
Wagering on NSW greyhounds

NSW Greyhound Racing	2017	2016	Var %
NSW TAB Turnover	315.9	327.2	-3.5%
Interstate Totalisator Turnover	430.6	451.6	-4.7%
Corporate Turnover	567.7	476.1	19.2%
Total Turnover (\$m)	1,314.2	1,254.9	4.7%
Totalisator Revenue	122.4	130.4	-6.1%
Corporate Revenue	66.0	53.4	23.5%
Total Revenue (\$m)	188.4	183.8	2.5%
SKY Broadcast Races	9,125	8,932	2.2%
Average Turnover Per Race	\$144,020	\$140,499	2.5%

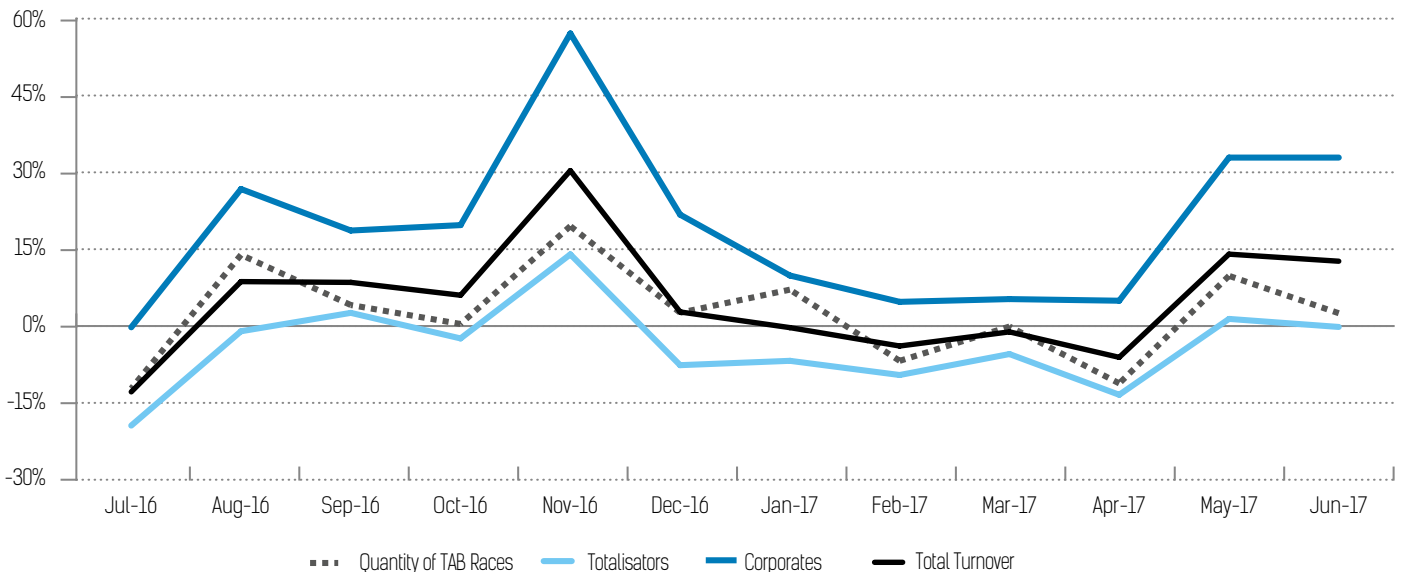
Market share of turnover



Monthly average turnover per race



Monthly year-on-year turnover growth



LEGAL AND POLICY

RULE CHANGES

In 2016/17 GRNSW made amendments to the Greyhound Racing Rules. They are outlined in the table below.

Amendments to the Greyhound Racing Rules

Date	Rule changes
1 July 2016	<ul style="list-style-type: none"> GAR1 – Definitions (amendment: ‘presented’ and ‘presentation’) GAR83 – Greyhound to be free of prohibited substances (amendment: arsenic and testosterone thresholds)
1 December 2016	<ul style="list-style-type: none"> GAR132(5) – Breeding unit collection and registration (amendment: registration requirements)
1 June 2017	<ul style="list-style-type: none"> LR106A – Provision of greyhound information (new rule)

NEW LEGISLATION

Following the NSW Government’s decision to reverse the ban on the greyhound racing industry in NSW, GRNSW and the greyhound racing industry were operating under three pieces of greyhound racing legislation during 2016/17, each with its own requirements and obligations. This legislation was:

- *Greyhound Racing Act 2009*;
- *Greyhound Racing Prohibition Act 2016*; and
- *Greyhound Racing Act 2017*.

On 26 August 2016, the *Greyhound Racing Prohibition Act 2016* commenced, largely for the purposes of prohibiting greyhound racing and dissolving GRNSW, and to amend and subsequently repeal the *Greyhound Racing Act 2009*. Although this legislation was subsequently repealed on 3 July 2017, some of its provisions continue to have effect during a transitional period provided for under the provisions of the *Greyhound Racing Act 2017*.

On 11 April 2017 the *Greyhound Racing Act 2017* was enacted, in summary to:

- Regulate greyhound racing and to provide for the welfare of greyhounds;
- Constitute the Greyhound Welfare and Integrity Commission and reconstitute GRNSW; and
- Repeal the *Greyhound Racing Prohibition Act 2016* and the *Greyhound Racing Act 2009*.

As at the time of publication some, but not all, of the provisions of the *Greyhound Racing Act 2017* have commenced, however, the *Greyhound Racing Act 2009* remains in effect.

EXPORTS INQUIRY

In October 2015 GRNSW commenced an inquiry into the unauthorised export of greyhounds to countries that do not comply with Australian animal welfare standards. The inquiry, which remains ongoing, is chaired by barrister Adrian Anderson, who has extensive experience in disciplinary matters in a range of sporting organisations.

Rule 124 of the Greyhound Racing Rules currently requires that any person intending to export a greyhound from Australia to any other country (excluding

New Zealand) must, prior to meeting the quarantine and inspection service requirements of the relevant country, obtain a greyhound passport and certified pedigree issued by Greyhounds Australasia (GA).

GA has suspended consideration of greyhound passport applications where the intended destination is Macau since 2013. This is due to an assessment that Macau does not comply with Australian animal welfare standards.

The initial focus of the inquiry has been to investigate registered owners of greyhounds that were discovered in Macau. A total of 179 industry participants were charged in 2016 for offences relating to potential breaches of the rules. The responses and information provided by those participants ultimately led to the identification of key people involved in the exportation of greyhounds.

Subsequently, GRNSW charged five industry participants with multiple offences in respect of their alleged involvement in the large-scale exportation of greyhounds into Macau as well as China.

Investigations into additional participants are continuing and the inquiry is considering further charges. A number of decisions on penalties are expected to be issued by November 2017, in particular for breaches of:

- Rule 124(I) – in summary, failing to obtain a greyhound passport and certified pedigree issued by GA prior to export; and
- Rule 86(o) – has, in relation to a greyhound or greyhound racing, done a thing, or omitted to do a thing, which, in the opinion of the stewards or the controlling body, as the case may be, is negligent, dishonest, corrupt, fraudulent or improper, or constitutes misconduct.

This ongoing inquiry reflects GRNSW’s commitment to preventing the unauthorised export of Australian greyhounds to destinations where animal welfare practices do not meet industry welfare standards and are inconsistent with community expectations.

ACCESS TO INFORMATION AND STATUTORY NOTICES

During 2016/17, GRNSW provided information in response to a number of statutory notices and formal requests, including under the provisions of the following legislation and parliamentary orders:

- *Child Support (Registration and Collection) Act 1988* (section 120);
- *Environmental Planning and Assessment Act 1979* (section 119J);
- *Government Information (Public Access) Act 2009* (see pages 22 and 23 of this report);
- *Protection of the Environment Act 1997* (section 193); and
- Standing Order 52 for the production of documents, NSW Legislative Council.

CLAIM IN COUNTY COURT OF VICTORIA

In June 2017, GRNSW was joined as a defendant to a claim in the County Court of Victoria brought by two industry participants under section 18 of the Australian Consumer Law, alleging misleading and deceptive conduct. The plaintiffs are seeking as yet unspecified damages for economic loss and loss of commercial opportunity, allegedly sustained as a result of their inability to register a greyhound for breeding. GRNSW is strongly defending the claim. The matter has been listed for trial on 3 March 2018.



GIPA REPORT

Greyhound Racing NSW (GRNSW) is subject to the provisions of the *Government Information (Public Access) Act 2009*. During 2016/17 GRNSW received two formal requests for information under this Act.

Table A: Number of applications by type of applicant and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media								
Members of Parliament				1				
Private sector business								
Not for profit organisations or community groups								
Members of the public (application by legal representative)								
Members of the public (other)		1				1		

* More than one decision can be made in respect of a particular access application. If so, a recording is made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*								
Access applications (other than personal information applications)				1				
Access applications that are partly personal information applications and partly other		1				1		

* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	-
Application is for excluded information of the agency (section 43 of the Act)	-
Application contravenes restraint order (section 110 of the Act)	-
Total number of invalid applications received	-
Invalid applications that subsequently became valid applications	-

GIPA REPORT

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

	Number of times consideration used*
Overriding secrecy laws	-
Cabinet information	-
Executive Council information	-
Contempt	-
Legal professional privilege	1
Excluded information	-
Documents affecting law enforcement and public safety	-
Transport safety	-
Adoption	-
Care and protection of children	-
Ministerial code of conduct	-
Aboriginal and environmental heritage	-

* More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	1
Law enforcement and security	-
Individual rights, judicial processes and natural justice	1
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	-
Secrecy provisions	-
Exempt documents under interstate Freedom of Information legislation	-

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	1
Decided after 35 days (by agreement with applicant)	-
Not decided within time (deemed refusal)	1
Total	2

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	-	-	-
Review by Information Commissioner	-	-	-
Internal review following recommendation under section 93 of Act	-	-	-
Review by ADT	-	-	-
Total	-	-	-

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	-

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications transferred
Agency-initiated transfers	-
Applicant-initiated transfers	-



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

GREYHOUND RACING NEW SOUTH WALES

ABN 61 018 166 136

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FINANCIAL STATEMENTS
GREYHOUND RACING NEW SOUTH WALES
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
Income		
TAB Distributions	35,324,735	34,936,094
Race Field Information Use Fees	20,877,617	18,611,653
Tax Parity Receipts	6,706,949	-
Licensing and Registration Fees	586,618	747,561
Veterinary Services	333,494	328,722
Race Form	232,726	255,262
Interest	159,428	142,073
Marketing and Digital	210,026	147,189
Playhouse Pet Motel	20,540	294,152
Other income	107,792	199,767
Fines and Penalties	87,095	62,745
Greyhounds As Pets	163,534	147,715
Total income	64,810,554	55,872,933
Expenditure		
Prizemoney and Race Club Costs	34,128,215	31,459,886
Finance, Legal and Corporate	6,234,175	4,544,980
Regulatory	5,478,978	4,187,542
Racing and Club Infrastructure	2,314,656	1,854,727
Drug Detection	1,668,477	1,388,778
Operations	1,881,482	1,582,447
Media and Digital	1,280,800	1,213,055
IT Costs	900,124	897,679
Industry Reform	1,699,256	3,051,352
Animal Welfare	1,270,071	1,271,346
Playhouse Pet Motel	-	387,399
Blue Paws	3,630	192,576
Depreciation	443,715	402,894
GAP and Commercial Marketing	1,083,969	1,300,719
Board Expenses	2,796	3,558
Greyhounds As Pets	1,189,609	397,178
Loss on Sale of Fixed Assets	36,104	48,955
Other Expenses	103,102	365,521
Integrity Auditor	4,780	52,451
Total expenditure	59,723,939	54,603,043
Surplus for the year	5,086,615	1,269,890
Other comprehensive income	-	-
Total comprehensive income for the year	5,086,615	1,269,890

The accompanying notes form part of these financial statements.



FINANCIAL STATEMENTS
GREYHOUND RACING NEW SOUTH WALES
ABN 61 018 166 136

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Notes	2017 \$	2016 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	4,765,011	2,270,929
Trade and other receivables	5	15,750,489	13,703,123
Financial assets	6	236,051	301,051
Other current assets	7	41,942	177,641
Total current assets		20,793,493	16,452,744
Non-current assets			
Property, plant and equipment	8	3,604,032	3,609,490
Intangible assets	9	-	-
Financial assets	6	6,875,355	6,875,355
Total non-current assets		10,479,387	10,484,845
Total assets		31,272,880	26,937,589
LIABILITIES			
Current liabilities			
Borrowings	12	145,037	10,636
Trade and other payables	10	4,958,232	6,141,669
Provisions	11	993,148	920,181
Total current liabilities		6,096,417	7,072,486
Non-current liabilities			
Borrowings	12	230,979	-
Provisions	11	125,438	131,672
Total non-current liabilities		356,417	131,672
Total liabilities		6,452,834	7,204,158
Net assets		24,820,046	19,733,431
EQUITY			
Reserves	13	676,386	676,386
Retained surplus		24,143,660	19,057,045
Total equity		24,820,046	19,733,431

The accompanying notes form part of these financial statements.



FINANCIAL STATEMENTS
GREYHOUND RACING NEW SOUTH WALES
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Reserves \$	Retained surplus \$	Total equity \$
Balance at 1 July 2015	676,386	17,787,155	18,463,541
Surplus for the year	-	1,269,890	1,269,890
Other comprehensive income	-	-	-
Total comprehensive income for the year	676,386	19,057,045	19,733,431
Balance as at 30 June 2016	676,386	19,057,045	19,733,431
Balance at 1 July 2016	676,386	19,057,045	19,733,431
Surplus for the year	-	5,086,615	5,086,615
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	5,086,615	5,086,615
Balance as at 30 June 2017	676,386	24,143,660	24,820,046

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from operations		62,603,760	54,358,073
Payments to suppliers and employees		(60,225,125)	(53,893,140)
Interest received		224,428	127,666
Net cash flows provided by operating activities		2,603,063	592,599
Cash flows from investing activities			
Payment for property plant and equipment		(98,345)	(414,773)
Net cash used in investing activities		(98,345)	(414,773)
Receipt from borrowings		-	-
Cash flows from financing activities		-	-
Net increase in cash or cash equivalents		2,504,718	177,826
Cash and cash equivalents at the beginning of financial year		2,260,293	2,082,467
Cash and cash equivalents at the end of financial year	4	4,765,011	2,260,293

The accompanying notes form part of these financial statements.



FINANCIAL STATEMENTS
GREYHOUND RACING NEW SOUTH WALES
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Greyhound Racing New South Wales (GRNSW) is a reporting entity.

GRNSW is an independent body corporate established under the *Greyhound Racing Act 2009* to represent, fund and control the commercial operations of the greyhound racing industry in New South Wales. It commenced operations on 10 February 2003.

The financial statements were authorised for issue on 20 October by the Interim Chief Executive of GRNSW.

BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board. GRNSW is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar, and are presented in Australian dollars.

ACCOUNTING POLICIES

a) Property, plant and equipment

Each class of property, plant and equipment is carried at cost, less where applicable, any accumulated depreciation and impairment losses, where applicable.

Property

Freehold land and buildings are carried at cost, less accumulated depreciation for buildings.

Plant and equipment

Plant and equipment are carried at cost less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the accepted net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

Property, plant and equipment including capitalised lease assets are depreciated on a straight line basis over their useful lives to GRNSW, commencing from the time the asset is held ready for use. Fixed asset purchases of items below \$5,000 are written off to expense in the year of acquisition.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	%
Office equipment	40
Computer equipment	40
Furniture fittings	15
Motor vehicles	22.5
Leasehold improvements	12.5
Buildings	5

The asset's residual values and useful lives are reviewed and adjusted if appropriate at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained surplus.

b) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as an expense in the periods in which they are incurred.

Lease incentives for operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease terms.

c) Insurance

Insurance policies are held to cover all material risks. The insurance coverage is reviewed annually to ensure adequate cover for all risk areas.

d) Financial instruments

Initial recognition and measurement

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out below.

FINANCIAL STATEMENTS

GREYHOUND RACING NEW SOUTH WALES

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Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payment and amortisation.

Impairment

At each reporting date, the entity assesses where there is objective evidence that a financial instrument has been impaired, Losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

f) Employee benefits

Provision is made for GRNSW liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability has been settled plus related on costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

g) Income tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

h) Superannuation commitments

Superannuation contributions made on behalf of employees are charged as expenses when incurred.

i) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

j) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is recognised net of the amount of goods and services tax (GST).

k) Receivables

Accounts receivables include amounts due from services performed in the ordinary course of business. Accounts receivables are generally settled within 30 days and are carried at amounts due.

l) Accounts payable and other payables

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by GRNSW during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

n) Critical accounting estimates and judgements

The Board evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

Impairment

The entity assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Wentworth Park Trust Receivable

Included within financial assets is a receivable of \$6,497,681 due from Wentworth Park Trust. Management are actively pursuing this amount, and believe that the full balance will ultimately be recovered. Wentworth Park Trust have disputed that the amount is payable to Greyhound Racing NSW and have limited ability to settle the amount. Subsequent to year end a notice of demand was issued by Greyhound Racing NSW, as at the date of these financial statements the amount is still outstanding

o) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.



FINANCIAL STATEMENTS

GREYHOUND RACING NEW SOUTH WALES

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Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

p) Intangibles Other than Goodwill

Licence costs are capitalised only when it can be established that the licence will deliver future economic benefits and these benefits can be measured reliably.

Capitalised licence costs are amortised on a systematic basis matched to the future economic benefits over the useful life of the licence.

q) Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

r) New, revised or amending Accounting Standards and Interpretations adopted

The entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.



FINANCIAL STATEMENTS
GREYHOUND RACING NEW SOUTH WALES
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	2017 \$	2016 \$
2 Key management personnel compensation		
The totals of remuneration paid to key management personnel (KMP) of the entity during the year are as follows:		
Key management personnel compensation	1,599,776	1,196,810
Other KMP transactions		
For details of other transactions with KMP, refer to Note 16: Related party transactions.		
3 Surplus for the year		
Expenses		
Rental expense on operating leases	344,306	314,173
4 Cash and cash equivalents		
Cash at bank	4,763,661	2,269,579
Cash on hand	1,350	1,350
	4,765,011	2,270,929
Reconciliation to cash and cash equivalents		
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:		
Balances as above	4,765,011	2,270,929
Bank overdraft (note 12)	-	(10,636)
	4,765,011	2,260,293
5 Trade and other receivables		
CURRENT		
Receivables	15,750,489	13,703,123
	15,750,489	13,703,123
6 Financial assets		
CURRENT		
Other loans	236,051	301,051
	236,051	301,051
NON-CURRENT		
Bank Guarantee	377,674	377,674
Wentworth Park Trust	6,497,681	6,497,681
	6,875,355	6,875,355
7 Other current assets		
Prepayments	41,942	177,641
8 Property, plant and equipment		
Land and buildings		
Freehold land - at cost	1,320,770	1,320,770
Buildings - at cost	1,746,535	1,746,535
Less: accumulated depreciation	(455,783)	(301,905)
Total buildings	1,290,752	1,444,630
Total land and buildings	2,611,522	2,765,400



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GREYHOUND RACING NEW SOUTH WALES
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	2017 \$	2016 \$
Plant and equipment (cont)		
Office equipment and computers - at cost	695,673	675,753
Less: accumulated depreciation	(676,041)	(665,593)
	19,632	10,160
Furniture and fittings - at cost	40,609	40,609
Less: accumulated depreciation	(39,180)	(37,087)
	1,429	3,522
Motor vehicles - at cost	1,210,033	1,019,401
Less: accumulated depreciation	(317,266)	(288,593)
	892,767	730,808
Website development and software - at cost	683,406	683,406
Less: accumulated depreciation	(604,724)	(583,806)
	78,682	99,600
Total plant and equipment	992,510	844,090
Total property, plant and equipment	3,604,032	3,609,490

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Freehold Land	Buildings	Office equipment and computers	Furniture and fittings
Carrying amount at 1 July 2016	1,320,770	1,444,630	10,160	3,522
Additions	-	-	19,920	-
Depreciation expense	-	(153,878)	(10,448)	(2,093)
Carrying amount at 30 June 2017	1,320,770	1,290,752	19,632	1,429
		Motor vehicles	Website development and software	Total
Carrying amount at 1 July 2016		730,808	99,600	3,609,490
Additions		567,625	-	587,545
Disposals		(149,288)	-	(149,288)
Depreciation expense		(256,378)	(20,918)	(443,715)
Carrying amount at 30 June 2017		892,767	78,682	3,604,032

	2017 \$	2016 \$
9 Intangible assets		
Licence - at cost	254,100	254,100
Impairment provision	(254,100)	(254,100)
Net carrying amount	-	-
Reconciliation of licence		
Balance at 1 July 2016	254,100	254,100
Impairment provision	(254,100)	(254,100)
Closing carrying amount at 30 June 2017	-	-



FINANCIAL STATEMENTS
GREYHOUND RACING NEW SOUTH WALES
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	2017 \$	2016 \$	
10 Trade and other payables			
CURRENT			
Accounts payable	4,753,939	5,833,976	
Prizemoney	204,293	307,693	
	4,958,232	6,141,669	
11 Provisions			
CURRENT			
Annual leave	797,546	615,698	
Long service leave	195,597	143,970	
Approved industry infrastructure funding	5	160,513	
	993,148	920,181	
NON CURRENT			
Long service leave	125,438	131,672	
	125,438	131,672	
	Annual leave \$	Long service leave \$	Approved industry infrastructure funding \$
Analysis of employee provisions			
Opening balance at 1 July 2016	615,698	275,642	160,513
Additional provisions	782,630	101,112	-
Amounts used	(415,809)	(15,338)	-
Amount written-off	(184,973)	(40,381)	(160,508)
Balance as at 30 June 2017	797,546	321,035	5
Employee provisions – Annual leave entitlements			
The provision for employee benefits represents amounts accrued for annual leave.			
Based on past experience, the entity expects the full amount of annual leave balance to be settled within the next 12 months. Further, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.			
12 Borrowings			
CURRENT			
Bank Overdraft	-	-	10,636
Borrowings	145,037	-	-
	145,037	-	10,636
NON CURRENT			
Borrowings	230,979	-	-
	230,979	-	-
<i>Assets pledged as security</i>			
The bank overdraft was secured by first mortgages over the entity's land and buildings. The bank has since released the general security charge over the whole of Greyhound Racing NSW's assets.			
13 Reserves			
General reserve			
The general reserve records funds set aside for future expansion of GRNSW.			



FINANCIAL STATEMENTS

GREYHOUND RACING NEW SOUTH WALES

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		2017 \$	2016 \$
14	Operating lease commitments		
	Non-cancellable operating lease commitments contracted for but not capitalised in the financial statements:		
	Property lease payable:		
	No later than one year	294,990	318,990
	Later than one year but not later than five years	294,990	589,980
	Later than five years	-	-
		589,980	908,970
	The lease was renewed on 25 June 2009 for a 10 year period. The expiry date of the lease is 24 June 2019.		
15	Events after the reporting period		
	Greyhound Racing NSW was granted an Operating Licence on 3 July 2017 pursuant to section 25 of the Greyhound Racing Act 2017. Greyhound Racing NSW is subject to the conditions specified in the Operating Licence, which has been granted for a term of five years.		
	On 1 September 2017 Commissioners were appointed to lead the new independent Greyhound Welfare & Integrity Commission. It is anticipated that the Greyhound & Welfare Integrity Commission will be established during the 2017/18 period.		
	Apart from the matters discussed above, no other matters or circumstances have arisen since 30 June 2017 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.		
16	Related party transactions		
	GRNSW has a receivable from The Wentworth Park Trust totalling \$6,497,681 (2016: \$6,497,681) which is interest free. The receivable arose as a result of the privatisation of the Totalizater Agency Board.		
17	Financial risk management		
	The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.		
	The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:		
	Financial assets		
	Cash and cash equivalents	4,765,011	2,270,929
	Loans and receivables	22,861,895	20,879,529
	Total financial assets	27,626,906	23,150,458
	Financial liabilities		
	Financial liabilities at amortised cost:		
	- trade and other payables	4,958,232	6,141,669
	Total financial liabilities	4,958,232	6,141,669
18	Contact details		
	The principal place of business and registered office of GRNSW is:		
	Building B		
	1 Homebush Bay Drive		
	Rhodes NSW 2138		

DECLARATION BY THOSE CHARGED WITH GOVERNANCE

Those charged with governance of Greyhound Racing New South Wales declare that:

The financial statements and notes, as set out on pages 25 to 34:

- a) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
- b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the entity.

In the opinion of those charged with governance, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of those charged with governance of Greyhound Racing New South Wales.



JOHN GIBBONS
GRNSW Interim CEO

Dated: 20 October 2017

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Greyhound Racing NSW for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PTY LTD

D Talbot

DAVID TALBOT
Director

Sydney, NSW
Dated: 20 October 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREYHOUND RACING NEW SOUTH WALES

Qualified Opinion

We have audited the financial report of Greyhound Racing New South Wales, which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, except for the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report presents fairly, in all material respects of the financial position of Greyhound Racing New South Wales as at 30 June 2017, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Regime.

Basis for Qualified Opinion

As disclosed within Note 1 n), Greyhound Racing New South Wales has a receivable due from Wentworth Park Trust which is carried in the statement of financial position at \$6,497,681. We were unable to obtain sufficient appropriate audit evidence about the recoverability of this receivable as at 30 June 2017 due to uncertainty about the ability of Wentworth Park Trust to repay the full amount due. Consequently, we were unable to determine whether any adjustments to this amount was necessary.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of Greyhound Racing New South Wales in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Greyhound Racing New South Wales's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Regime, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing Greyhound Racing New South Wales's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Greyhound Racing New South Wales or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.



INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in black ink that reads "RSM".

RSM AUSTRALIA PTY LTD

A handwritten signature in black ink that reads "David Talbot".

DAVID TALBOT

Director

Sydney, NSW

Dated: 20 October 2017



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The 2017 GRNSW Annual Report is also available online at www.grnsw.com.au



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